

4 FAH-2 H-130 DEFINITIONS

(CT:DOH-28; 07-19-2013)
(Office of Origin: CGFS/FPRA/FP)

4 FAH-2 H-131 GLOSSARY OF TERMS

(CT:DOH-28; 07-19-2013)

This section prescribes certain terms that are commonly used throughout the 4 FAH-2 subchapters.

Accommodation exchange transaction: The authorized exchange of equivalent monetary values in different forms to authorized persons; for example, foreign currency in exchange for U.S. dollar check(s).

Accountability statements or statements of accountability: U.S. disbursing officers (USDOs) prepare and submit statements of accountability to the Department of Treasury monthly on Form SF-1218, Statement of Accountability (Foreign Service Account (FSA)), which determine the accountability of the disbursing officer's FSA account.

Accountable Officer: A U.S. Government official or employee who, on behalf of the United States, receives and maintains public funds, certifies vouchers, or maintains and draws checks upon accounts of the United States, including those in depository banks designated by the Secretary of the Treasury. Accountable officers include cashiers, subcashiers, U.S. disbursing officers, certifying officers, and occasional moneyholders.

Adjustment: A method to correct element(s) of information by reversing the incorrect data and replacing it with the correct data. Two entries are required (debit and credit).

Agency location code (ALC): The four or eight-digit Treasury symbol used to identify reports and documents prepared by or for an accounting station or financial office of the Department.

Automated cashier program or system: An automated system for entering cashier transactions and tracking cashier accountability balanced with the FSC generated cashier reports.

Automated clearing house (ACH): A nationwide mechanism that processes electronically originated debit and credit transfers for any participating institutions nationwide. This electronic payment delivery system is most often used to process low-dollar, repetitive retail payments and pre-authorized recurring payments such as payroll, corporate payments to vendors, Social

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Disbursing Officer Handbook

Security payments, insurance premium payments and utility payments. The ACH is an alternative to paper checks and handles billions of payments annually.

Available check: A U.S. Treasury check which has not been paid by Treasury and is in the possession of the certifying or disbursing office.

Clearing account (BCA): "Clearing Accounts" are established by Treasury and assigned to each agency and disbursing office to temporarily hold unidentifiable collections that belong to the Federal Government, until proper classification of the funds can be determined. Two commonly used Department of State clearing accounts are:

- (1) **19 F 3875—Budget Clearing Account (BCA):** used to temporarily credit unclassified transactions from the public when there is a reasonable presumption that the amounts belong to their agencies; and
- (2) **19 F 3880—Unavailable Check Cancellations Overpayments (Suspense):** used for recording and adjusting credits and charges resulting from claims on unavailable checks.

Cancellation: The process of rendering a check non-negotiable after it has been issued and repaying the amount of the check (whether available or unavailable) to an appropriation or fund account.

Cash-Link: An electronic cash concentration system used to manage the collection of government funds and to report balances to Federal agencies. Cash-Link ties the U.S. disbursing officer (USDO), commercial banks, Federal Reserve Banks, and the Treasury Department together through an electronic network. Cash-Link provides agencies with financial information to verify bank deposits, ACH transfers, as well as information to reconcile their accounts. This system allows users to obtain deposit information in two ways:

- (1) It provides daily reports of agency deposits that are sent to the Banking Operations Branch in FMS; and
- (2) Agencies can view deposit amounts that have been posted to their ALC.

Cashier: An officer, direct-hire permanent employee, or duly authorized personal services agreement (PSA) employee hired under 22 U.S.C. 2669 (see 4 FAH-3 H-393.1-1b) of a Federal department, agency, or government corporation who is designated as a cashier by a delegated Department of State approving official or USDO and is authorized to perform limited cash disbursing functions or other cash operations as authorized by the official cashier designation. Contractors may not be cashiers. A cashier is an accountable officer and is personally accountable for the amount of advances received. The following cashier designations are utilized in the Department of State and by other agencies at our U.S. Mission overseas.

- (1) **Alternate Cashier:** An officer, direct-hire permanent employee, or a duly authorized personal services agreement (PSA) employee hired under 22

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U.S. Department of State Foreign Affairs Manual Volume 4 Handbook 2
Disbursing Officer Handbook

U.S.C. 2669 (see 4 FAH-3 H-393.1-1 b) of a Federal department, agency, or government corporation who has been appropriately designated and who receives an advance from his or her Class A or B cashiers. An alternate cashier functions in such capacity only during the absence of a principal cashier or subcashier, except where the volume of transactions requires both principal and alternate to operate at the same time. The cashier supervisor cannot be the alternate cashier and the alternate cashier cannot be the supervisor unless authorized by the servicing USDO. All cashier policies and procedures that apply to principal cashiers also apply to their alternates.

- (2) **Class A Cashier:** An officer, direct-hire permanent employee, or a duly authorized personal services agreement (PSA) employee hired under 22 U.S.C. (see 4 FAH-3 H-393.1-1 b) of a Federal department, agency, or government corporation who has been appropriately designated and receives an advance from a USDO or domestically from bureau funds. A Class A cashier is authorized to advance funds to his/her own alternate but not to another cashier or subcashier. Overseas, the Class A cashier is an accountable officer who is accountable to the USDO but under the supervision of a non-USDO American officer. Domestically, the Class A cashier is an accountable officer who must follow instructions and guidance issued by **CGFS/DO** even when the employee is supervised by American official in a domestic bureau or consular office.
- (3) **Class B Cashier:** An officer, direct-hire permanent employee, or a duly authorized personal services agreement (PSA) employee hired under 22 U.S.C. 2669 (see 4 FAH-3 H-393.1-1 b) of a Federal department, agency, or government corporation who has been appropriately designated and receives an advance of Treasury funds from a USDO supporting overseas operations or domestically from bureau appropriated funds. The Class B cashier is authorized to advance funds to his/her own alternate and to a subcashier. Overseas, the Class B cashier is an accountable officer who is accountable to the USDO but under the supervision of a non-USDO American Officer. Domestically, the Class B cashier is an accountable officer who must follow instructions and guidance issued by **CGFS/DO** even when the employee is supervised by American official in a domestic bureau or consular office.
- (4) **Subcashier:** An officer, direct-hire permanent employee, or a duly authorized personal services agreement (PSA) employee hired under 22 U.S.C. 2669 (see 4 FAH-3 H-393.1-1 b) of a Federal department, agency or government corporation who has been appropriately designated by an authorizing letter or memo signed by the employee's American supervisor, financial management officer (FMO) or management officer to receive an advance from a Class B cashier. Contractors may not be subcashiers and when a subcashier advance level is U.S. dollar equivalent (USDE) 10,000 or more, the designation is valid only with the approval of the servicing

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U.S. Department of State Foreign Affairs Manual Volume 4 Handbook 2
Disbursing Officer Handbook

USDO. The subcashier is accountable to the Class B cashier. (See 4 FAH-3 H-399.1 for subcashiers of agencies other than Department of State.)

Cashier advance: Funds, in the form of checks or cash, entrusted to a Class B/Class A Cashier, subcashier, alternate, or occasional money holder.

Cashier Monitor: An employee who works for the USDO and assists the cashier. Cashier monitors provide answers to cashiering questions and are located at *CGFS* Charleston or Bangkok or the *CGFS Office of Financial Support* and Training in Paris.

Cashier Out-Of-Balance Condition: A difference reported on the Form DS-3058 (FSC-365), Cashier's Reconciliation Statement.

Cashier User Guide (CUG): Department of State reference guide for cashiering procedures worldwide.

Certifying Officer: An officer who attests to the accuracy and legality of vouchers prior to payment. The certifying officer is an accountable officer. Department of State certifying officers must be designated by *CGFS/OMA*.

Collections, Official: Amounts received for credit to appropriation accounts, general fund receipt accounts or to suspense accounts. Collections may be made for official purposes only.

Deposit-In-Transit (DIT): A deposit made by the cashier into a USDO depository which is not yet reflected on the cashier's accountability documents from the USDO.

Depository: A Federal Reserve Bank or branch, foreign and commercial bank in the banking system authorized by Treasury to receive deposits and issue and draw payments.

- (1) **General depository:** Authorized to accept deposits for credits in the official checking accounts of other government officers.
- (2) **Limited depository:** Authorized to accept up to a specified maximum amount, deposits for credit to official checking accounts of government officers other than the Treasurer of the United States.
- (3) **United States Government depository:** A domestic or foreign bank designated by the Secretary of the Treasury as an official depository to hold U.S. Government funds for the account of the United States.

Designation, Cashier: The official document authorizing the cashier to handle official money including the authorized maximum amount and other requirements or limitations. It is signed and dated by both the cashier and American cashier supervisor.

Disbursement: A payment in currency, check, or electronic funds transfer.

Electronic funds transfer (EFT): Any transfer of funds initiated through a terminal, telephone, computer or magnetic tape for the purpose of instructing or authorizing a financial institution to debit or credit an account.

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U.S. Department of State Foreign Affairs Manual Volume 4 Handbook 2
Disbursing Officer Handbook

Fedline: A software product offered by the Federal Reserve System for electronic connection to the Federal Reserve. It is used to transmit ACH items via telephone lines interfacing with a personal computer.

Fiscal irregularity: An occurrence in which there is:

- (1) A shortage or overage of public funds;
- (2) Illegal disbursement(s) resulting from fraud, forgery, alteration of vouchers, improper certification, or other improper practices;
- (3) Improper accounting for receipts; or
- (4) Improper accounting for imprest funds.

Foreign Service Accountability Account (FSA): Official funds, excluding funds in foreign currency accounts and local currency deposits, which are made available to U.S. disbursing officers for disbursing and collecting operations.

Form SF-215, Deposit Tickets (DT): Used to record all deposits. The deposit ticket contains a unique preprinted six-digit number which is the only number used by the Treasury to record the deposit. These prepositioned numbers should not be altered and must be entered exactly as printed.

Form SF-5515, Debit Voucher (DV): A document prepared and used to reduce a deposit or charge to an agency.

Form FMS-5901, Adjustment of Agency Deposits/Debit Vouchers: A computer-generated document charging or crediting outstanding differences, over six months old, to the agency's Statement of Difference.

Form FMS-6652, Statement of Differences – Deposit Transaction: A form that shows each ALC and the total money amounts reported each month by agency and what has been reported to Treasury's General Account by the depositary with an ending balance of the outstanding differences.

Form FMS-6653, Undisbursed Appropriation Account Ledger: The form prepared monthly for all departments and agencies. The appropriation accounts reports are used to ensure that the balances in the Treasury's summary accounts for individual agency appropriation and fund accounts agree with the records maintained by the agencies for those accounts. For each appropriation and fund account, the report shows:

- (1) Agency balance;
- (2) Transactions classified for the month; and
- (3) Closing balance.

Funds: Funds may include cash, uncashed government checks, paid invoices and other receipts for cash, paid vouchers and undeposited checks.

Imprest fund: A fixed or petty-cash fund in the form of currency or coin that has been advanced as Funds Held Outside of the Treasury (see also cashier advance).

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U.S. Department of State Foreign Affairs Manual Volume 4 Handbook 2
Disbursing Officer Handbook

Reconciliation, Cashier: The process of comparing the cashier's unofficial accountability with the official accountability report from the USDO.

Replenishment: The method of replacing the cashier's available money to be used for making payments and accommodation exchange.

Restitution: Compensation for loss, such as cash paid back for an uncollectible check.

Serviced agency: Agency authorized to receive accounting and disbursing services from the Department of State. (See 4 FAH-2 H-742.)

Society for Worldwide InterBank Financial Telecommunication (SWIFT): A worldwide telecommunications system used by participating banks for sending instructions and transacting business.

Trace number: A fifteen-digit number assigned to the ACH item by Fedline. The trace number remains intact throughout the forward and return process. The first eight digits reflect the routing/transit number assigned to the FSC. The last seven digits are assigned in ascending sequence.

Unavailable check: A U.S. Treasury check not in the possession of the USDO or certifying officer.

Uncollectible check: A check which is returned unpaid by the bank on which the check is drawn.

United States Disbursing Officer (USDO): An American officer authorized to receive, disburse money and account for all official funds entrusted to that employee. The USDO is an accountable officer operating under a Department of the Treasury delegation to disburse U.S. government funds.

4 FAH-2 H-132 THROUGH H-139 UNASSIGNED